News From U.S. Senator

North Dakota

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North Dakota airports set to receive improvement funding plus additional opportunities for better air service:

FAA RE-AUTHORIZATION PASSES SENATE -BILL WILL BOOST AIRLINE SERVICE IN NORTH DAKOTA

(WASHINGTON, D.C.) --- Federal funds for airport improvements in Bismarck, Fargo, Grand Forks, and Minot will nearly double as a result of legislation approved Wednesday by the U.S. Senate, according to U.S. Senator Byron Dorgan (D-ND). The Federal Aviation Administration (FAA) re-authorization bill, which was approved on a 82-17 vote, also contains provisions that will help rural communities encourage new airline services through interline agreements between major airlines and regional carriers, Dorgan said.

"This is a big win for communities and air travelers in North Dakota," said Dorgan, who helped write the bill as a member of the Senate Commerce Committee. "Our major airports will see substantial increases in federal funds for airport improvements, while our Essential Air Service (EAS) airports in Devils Lake, Jamestown, Dickinson and Williston will have new opportunities to attract better air service."

This legislation authorizes the Department of Transportation to require the major airlines to offer interline agreements with regional carriers in Essential Air Service (EAS) cities when major airlines control more than 60 percent of the traffic at a hub airport. This provision offers the potential of attracting better air service to some rural states, like North Dakota.

Dorgan said other provisions of the bill that will be helpful to North Dakota include:

- 1.) <u>A substantial increase in funding for the airport improvement program (AIP)</u>. North Dakota's major airports share of those funds will nearly double next year:
 - S Bismarck will increase from \$708,000 to \$1.42 million;
 - **S** Fargo will increase from \$918,000 to \$1.8 million;
 - S Grand Forks will increase from \$627,000 to \$1.26 million;
 - S Minot will increase from \$523,000 to \$1.05 million.
- 2.) A strengthening of the funding mechanism that helps local communities invest in their airport infrastructure. The bill will allow local airport authorities to increase passenger facilities charges, if they choose, raising the current cap from \$3.00 to \$4.50. These funds can be used by local communities to invest in their airport infrastructure.
- 3.) A new program to help encourage commercial air service to small communities that have suffered from airline deregulation. The bill creates a Small Community Aviation Development Program -- a four-year, \$80 million program that would be in addition to the current Essential Air Service program which subsidizes air carriers who serve smaller communities. The new program would help fund efforts by airports in communities that suffered from deregulation to boost commercial air service to their community.

The bill now goes to the U.S. House where it is expected to quickly win final congressional approval before going to the White House to be signed into law by President Clinton.